

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6140

BILL NUMBER: SB 43

DATE PREPARED: Nov 8, 2001

BILL AMENDED:

SUBJECT: County Funding for Septic Systems.

FISCAL ANALYST: Valerie Ruda; Chris Baker

PHONE NUMBER: 232-9867; 232-9851

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: This bill establishes a system for county funding of private septic systems and other private sewage disposal systems.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: If a works board constructs a private sewage disposal system, the board would be required to provide for the estimated cost of construction from levies on special assessments.

The county works board would be required to hold various hearings. The works board and the county auditor would be required to mail various notices according to the bills provisions. The county auditor would be required to keep track of the payments on special assessments.

Additional costs would occur if the works board places advertisement for bids for construction of a system by advertisement. If repairs to a system become necessary, the county must give written notice to the contractor to make the repairs.

The overall impact of this proposal will depend on local action and the number and nature of private sewage disposal systems installed. Bonds are paid from special assessments levied against the property to be benefitted by the improvement. This bill would not affect local property tax levies.

Explanation of Local Revenues: Counties may collect special assessments to pay for the installation of private septic systems and other sewage disposal systems. The payment agreement for the assessment must be filed in the office of the county auditor. If a property owner elects to pay the property owner's assessments in

installments, the assessment must be collected in the same manner as other taxes.

State Agencies Affected:

Local Agencies Affected: Counties.

Information Sources: